

109TH CONGRESS
1ST SESSION

H. R. 3792

To provide for the establishment of a Gasoline Availability Stabilization Reserve, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2005

Mr. BROWN of Ohio (for himself and Mrs. CAPPS) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To provide for the establishment of a Gasoline Availability Stabilization Reserve, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Gasoline Availability
5 Stabilization Reserve Act”.

6 **SEC. 2. GASOLINE AVAILABILITY STABILIZATION RESERVE.**

7 (a) ESTABLISHMENT.—

8 (1) AUTHORITY.—The Secretary of Energy
9 shall establish a Gasoline Availability Stabilization
10 Reserve (in this section referred to as the “GAS Re-

1 serve”) system with a total capacity of 20,000,000
2 barrels of regular unleaded gasoline.

3 (2) RESERVE SITES.—Not later than 1 year
4 after the date of enactment of this Act, the Sec-
5 retary shall determine a site for one GAS Reserve
6 each in the Northeast and Midwest regions of the
7 United States, and one in California. Such reserve
8 sites shall be operational within 2 years after the
9 date of enactment of this Act. The Secretary may
10 establish two additional GAS Reserve sites at loca-
11 tions selected by the Secretary.

12 (3) SECURITY.—In establishing the GAS Re-
13 serve under this section, the Secretary shall obtain
14 the concurrence of the Secretary of Homeland Secu-
15 rity with respect to physical design security and
16 operational security.

17 (b) TRANSPORTATION PLAN.—Not later than 2 years
18 after the date of enactment of this Act, the Secretary of
19 Energy shall transmit to the Congress, the Secretary of
20 Homeland Security, and the Governor of each State in
21 which a reserve will be sited a plan for the transportation
22 of the contents of the GAS Reserve under this section to
23 consumers in the event of an emergency sale under sub-
24 section (d).

1 (c) FILL DATE.—The Secretary of Energy shall com-
2 plete the process of filling the GAS Reserve under this
3 section by March 1, 2007.

4 (d) EMERGENCY SALE AUTHORIZATION.—The Sec-
5 retary of Energy shall sell gasoline from the GAS Reserve
6 if—

7 (1) the Governor of a State transmits to the
8 Secretary a written request for GAS Reserve emer-
9 gency sales assistance which—

10 (A) cites a physical disruption in the sys-
11 tem supplying gasoline to the Governor’s State;
12 and

13 (B) demonstrates to the satisfaction of the
14 Secretary that such disruption is likely to result
15 in price volatility for retail gasoline markets in
16 the Governor’s State; and

17 (2) the Secretary determines that—

18 (A) GAS Reserve emergency sales would
19 mitigate gasoline price volatility in the Gov-
20 ernor’s State;

21 (B) GAS Reserve emergency sales would
22 not have an adverse effect on the long-term eco-
23 nomic viability of retail gasoline markets in the
24 Governor’s State and adjacent States;

1 (C) the physical disruption described in
2 paragraph (1)(A) is likely to result in general
3 economic disruption in the Governor's State
4 and adjacent States; and

5 (D) GAS Reserve emergency sales would
6 serve to stabilize gasoline prices, not suppress
7 prices below long-term market trend levels.

8 (e) PROCEDURE.—

9 (1) SECRETARY'S RESPONSE.—The Secretary of
10 Energy shall respond to a request transmitted under
11 subsection (d)(1) within 10 days of receipt of a re-
12 quest by—

13 (A) approving the request;

14 (B) denying the request; or

15 (C) requesting additional supporting infor-
16 mation.

17 (2) APPROVAL.—If the Secretary approves a re-
18 quest, the Secretary shall provide to the Governor a
19 written notice of approval that includes—

20 (A) a description of the GAS Reserve
21 emergency sale plan; and

22 (B) an explanation of the Secretary's deci-
23 sion.

24 (3) DENIAL.—If the Secretary denies a request,
25 the Secretary shall provide to the Governor a written

1 notice of denial that includes an explanation of the
2 Secretary's decision.

3 (4) ADDITIONAL INFORMATION.—If the Sec-
4 retary requests additional information and the Gov-
5 ernor does not respond for a period of 10 days, the
6 Governor's request shall be denied. If the Governor
7 provides all requested additional information in
8 timely manner, the Secretary shall approve or deny
9 the request within 10 days after receipt of such in-
10 formation.

11 (f) MAINTENANCE TRANSACTIONS.—The Secretary
12 of Energy is authorized to conduct purchases and sales
13 of gasoline at wholesale for maintenance of the GAS Re-
14 serve system. In conducting maintenance transactions, the
15 Secretary shall ensure that—

16 (1) the GAS Reserve is available to respond to
17 emergencies during periods of the annual gasoline
18 market cycle when the Secretary expects demand to
19 be highest;

20 (2) the GAS Reserve does not contain gasoline
21 for a period of time so long as to jeopardize its qual-
22 ity; and

23 (3) maintenance transactions are timed so as to
24 minimize their impact on the retail price of gasoline.

1 (g) REPORTS.—Not later than November 1 of each
2 year, the Secretary of Energy shall transmit to the Com-
3 mittee on Energy and Commerce of the House of Rep-
4 resentatives and to the Committee on Energy and Natural
5 Resources of the Senate a report on the GAS Reserve pro-
6 gram, describing the physical status of GAS Reserve facili-
7 ties, the program’s financial outlook, and the disposition
8 of any emergency sales request received and any emer-
9 gency sales conducted since the last report, and recom-
10 mending any additional appropriations or technical
11 changes appropriate to improve the program’s operation.

12 (h) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to the Secretary of En-
14 ergy such sums as may be necessary for construction and
15 operation of the GAS Reserve for fiscal years 2006
16 through 2011.

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